



WORKFORCE OBSERVATIONS

State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

FOR NORTHWEST WISCONSIN COUNTIES

ASHLAND, BAYFIELD, BURNETT, DOUGLAS, IRON, PRICE, RUSK, SAWYER, TAYLOR, WASHBURN

January 2004

Unemployment rates climb as temperature drops

An increase in the unemployment rate for Northwest Wisconsin in December should not surprise anyone. The unemployment rate rose from 5.1 percent in November to 6.3 percent in December. Even the increase of 1.2 percentage points is fairly typical for the season although the jump historically occurred a month earlier in November. The latest bump did

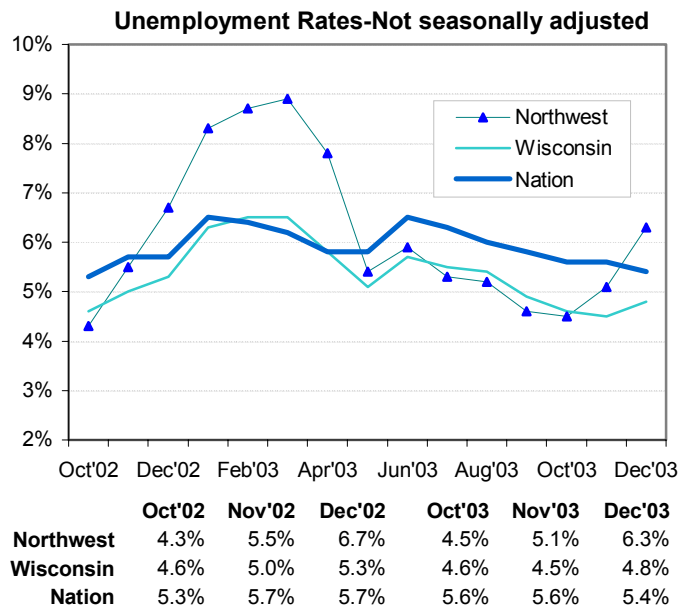
not push the current rate over the 6.7 percent unemployment rate of one year ago.

The State of Wisconsin unemployment rate also rose in December to 4.8 percent, not seasonally adjusted, from 4.5 percent in November. Nationally, the unemployment rate dropped in December to 5.4 percent from 5.6 percent in November. Both Wisconsin and

the northwest area are more severely impacted by changes in weather and seasonal swings in manufacturing employment. Seasonally adjusted the State of Wisconsin unemployment rate in December was 5.2 percent while the national rate was 5.7 percent.

The unemployment rate rose in each of the ten counties in the region in December but only Douglas County had a higher rate than one year ago. The counties in Northwest Wisconsin followed a pattern statewide where unemployment rates increased from November in all but five counties. Unemployment rates in the state's 72 counties were higher than one year ago in only four counties, including Douglas where the unemployment rate increased to 5.4 percent in December from 5.3 percent one year ago.

Douglas County is part of the Duluth-Superior metropolitan statistical area and normally, a change in employment that is contrary to other counties in Wisconsin would be associated with St. Louis County. But jobs on the Minnesota side declined in December and



Civilian Labor Force Estimates for Northwest Wisconsin counties: December 2003

	Ashland			Bayfield			Burnett			Douglas			Iron		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Labor force	8,561	8,528	8,455	7,866	7,812	7,744	7,985	8,037	7,676	23,495	23,249	22,983	3,298	3,343	3,268
Employed	7,984	8,026	7,775	7,300	7,338	7,108	7,541	7,711	7,209	22,225	22,156	21,769	3,037	3,106	2,983
Unemployed	577	502	680	566	474	636	444	326	467	1,270	1,093	1,214	261	237	285
% unemployed	6.7	5.9	8.0	7.2	6.1	8.2	5.6	4.1	6.1	5.4	4.7	5.3	7.9	7.1	8.7

	Price			Rusk			Sawyer			Taylor			Washburn		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Labor force	7,369	7,523	6,979	7,239	7,232	7,081	10,355	10,426	10,437	11,203	11,152	10,685	8,203	8,155	7,926
Employed	6,980	7,200	6,592	6,727	6,879	6,542	9,700	9,884	9,746	10,491	10,675	9,945	7,576	7,624	7,315
Unemployed	389	323	387	512	353	539	655	542	691	712	477	740	627	531	611
% unemployed	5.3	4.3	5.5	7.1	4.9	7.6	6.3	5.2	6.6	6.4	4.3	6.9	7.6	6.5	7.7

* not seasonally adjusted

Industry Employment Estimates for Northwest Wisconsin: Current month - December 2003

(Employment in thousands)	Ashland			Bayfield			Burnett			Douglas			Iron		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Total Nonfarm	8.9	8.9	9.1	4.1	4.1	3.9	5.1	5.2	5.0	18.7	18.9	18.2	2.3	2.3	2.3
Const/Min'g/Nat. Resources	0.5	0.5	0.5	0.2	0.3	0.2	0.3	0.3	0.3	0.9	1.0	0.9	0.3	0.3	0.2
Manufacturing	1.2	1.2	1.2	0.1	0.1	0.1	0.9	0.9	1.0	1.1	1.1	1.1	0.4	0.5	0.4
Trade	1.1	1.1	1.1	0.4	0.4	0.4	0.6	0.6	0.6	3.2	3.2	3.2	0.4	0.4	0.4
Transportation & Utilities	0.3	0.3	0.2	0.1	0.2	0.1	0.1	0.1	0.1	2.1	2.2	2.2	0.1	0.1	0.0
Financial Activities	0.4	0.4	0.4	0.1	0.1	0.1	0.2	0.2	0.2	0.5	0.5	0.5	0.1	0.1	0.1
Education & Health Services	1.9	1.9	1.8	0.3	0.3	0.3	0.6	0.7	0.6	1.8	1.8	1.8	0.3	0.3	0.3
Leisure & Hospitality	1.0	1.0	1.0	1.1	1.1	0.9	0.6	0.7	0.6	2.4	2.4	2.2	0.3	0.3	0.4
Info, Prof/Bus.Srv, Othr Srv.	0.5	0.5	0.7	0.2	0.2	0.3	0.2	0.2	0.3	3.4	3.4	2.9	0.1	0.1	0.1
Total Government	2.1	2.0	2.3	1.4	1.4	1.4	1.4	1.5	1.4	3.3	3.4	3.3	0.3	0.3	0.4

	Price			Rusk			Sawyer			Taylor			Washburn		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Total Nonfarm	6.8	7.0	6.6	6.0	6.1	6.0	6.9	7.0	7.1	9.3	9.4	9.0	6.0	6.0	6.0
Const/Min'g/Nat. Resources	0.2	0.3	0.3	0.3	0.4	0.3	0.4	0.4	0.4	0.3	0.4	0.3	0.3	0.4	0.3
Manufacturing	2.6	2.8	2.6	2.0	2.1	2.1	0.5	0.6	0.6	2.8	2.8	2.8	1.0	0.9	1.1
Trade	0.7	0.7	0.7	0.6	0.6	0.6	1.2	1.2	1.1	1.4	1.4	1.4	0.9	0.9	0.9
Transportation & Utilities	0.1	0.1	0.1	0.2	0.2	0.2	0.1	0.1	0.1	0.4	0.5	0.4	0.2	0.2	0.2
Financial Activities	0.2	0.2	0.2	0.1	0.1	0.1	0.4	0.4	0.3	0.3	0.3	0.3	0.2	0.2	0.2
Education & Health Services	0.8	0.8	0.8	0.4	0.4	0.4	0.7	0.7	0.7	1.2	1.2	1.1	0.9	0.9	0.8
Leisure & Hospitality	0.4	0.4	0.4	0.4	0.4	0.4	1.1	1.1	1.2	0.5	0.5	0.6	0.7	0.7	0.7
Info, Prof/Bus.Srv, Othr Srv.	0.7	0.7	0.5	0.6	0.6	0.6	0.6	0.6	0.7	1.2	1.2	1.0	0.4	0.4	0.4
Total Government	1.0	1.0	1.0	1.4	1.4	1.3	1.9	1.9	2.0	1.1	1.1	1.1	1.5	1.4	1.5

Current month preliminary. Estimates based on March 2002 benchmark. Summing from unrounded numbers.

were down from one year ago while the number of jobs in Douglas County is 450 greater than one year ago. Most of those jobs are with employers in other services (includes telemarketing) and leisure and hospitality. While some jobs have been added, the estimate may be a bit high.

Each of the ten counties in the region reported a loss of jobs in December. Overall, there was a loss of 1,000 jobs in the area but most of the reductions occurred as construction employers cut back for the winter months and as wreath making production jobs ended. Together job reductions in construction and manufacturing totaled nearly 800 in December.

Compared with twelve months ago, however, there are 700 more jobs in the region. In spite of recent cut-backs, construction employment is 170 jobs stronger than one year ago, and the hefty increase in other service jobs in

Douglas County pushed the net increase in the ten-county area over 500. The second greatest increase occurred with a gain of 250 jobs with leisure and hospitality employers.

On the negative side, manufacturing employment is down 370 jobs from last December and government agencies reduced payrolls by 300 jobs in the last twelve months.

Job losses in December increased the number of unemployed in the region and reduced the number of area employed. Overall, total employment in Northwest Wisconsin declined from 90,600 in November to 89,560 in December while the number of unemployed increased from 4,860 to 6,010.

The number of unemployed rose in each of the ten counties in the region, and in seven of those counties the unemployment rate increased by one percentage point or more. The second and third highest increases in the state were in Rusk and Taylor

counties. In Rusk the rate rose from 4.9 percent in November to 7.1 percent in December while in Taylor it increased from 4.3 to 6.4 percent. In Burnett County the rate increased from 4.1 to 5.6 percent.

In Bayfield, Washburn and Sawyer counties the unemployment rate increased 1.1 percentage point to 7.2 percent in Bayfield, to 7.6 percent in Washburn and to 6.3 percent in Sawyer while in Price County the rate rose one percentage point to 5.3 percent. The unemployment rate rose 0.8 percentage point in Iron County to 7.9 percent and in Ashland County 6.7 percent.

Unemployment rates will continue to rise in the next two months as more seasonal lay offs add to the number of unemployed in the region. By mid-January the number of residents filing claims for unemployment compensation benefits increased to nearly 5,000 from 4,085 in mid-December.



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Direct questions and comments to: Beverly Gehrke, Labor Market Analyst
Hayward Job Center, 15618 Windrose Lane, Ste. 108, Hayward, Wisconsin 54843
715-634-5289 715-634-6094(FAX) e-mail: Beverly.Gehrke@dwd.state.wi.us